

No. 7/2/DPM

Jakarta, January 28, 2005

CIRCULAR LETTER

To

ALL COMMERCIAL BANKS

WITHIN INDONESIA

Concerning : The Seventh Alteration on Bank Indonesia Circular Letter No. 6/20/DPM  
Dated April 26, 2004 Concerning the Interest Rate for Third Party Deposit  
and Interbank Money Market under Government Guarantee

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In reference to Article 3 of Bank Indonesia Regulation Number 6/11/PBI/2004 dated April 12, 2004 concerning the Blanket Guarantee Interest Rate for Third Party Deposit and Inter Bank Money Market, it is deemed necessary to alter several points in Circular letter Number 6/20/DPM dated April 26, 2004 concerning the Interest Rate for Third Party Deposit and Interbank Money Market under Government Guarantee, as follows:

1. Point I.B.2. is altered so that it shall be read as follows:

”2. The Maximum Margin for Third Party Deposit Interest Rate is set at:

| <b>Period of Deposit</b> | <b>Margin (basis point)</b> |
|--------------------------|-----------------------------|
| 1 month                  | Subtracted by 5 (five)      |
| 3 months                 | Added by 0 (zero)           |
| 6 months                 | Added by 5 (five)           |
| 12 months                | Added by 20 (twenty)        |
| 24 months                | Added by 50 (fifty)         |

of 3 (three) months SBI weighted average discount rate on the last auction”

2. Point ...

2. Point I.B.4. is altered to be read as follows:

“4. The maximum margin for Third Party Deposit interest rate in US Dollars foreign currency under Government Guarantee for the period of 1, 3, 6, and 12 months is each added by 3 (three) basis points, while the margin for the period of 24 months is added by 2 (two) basis points above the average deposited interest rate in US Dollars foreign currency at Jakarta Inter Bank Offered Rates (JIBOR) member banks selected by Bank Indonesia 1 (one) month earlier.”

3. Point II.B. is altered to be read as follows:

“B. Maximum PUAB Interest Rate

- a. The maximum PUAB interest rate under Government Guarantee in Rupiahs is set at 189 (one hundred and eighty nine) basis points above the weighted average morning overnight PUAB interest rate in Rupiahs at JIBOR member banks selected by Bank Indonesia 1 (one) month earlier.
- b. The maximum PUAB interest rate in US Dollars foreign currency under Government guarantee is set at 139 (one hundred and thirty nine) basis points under the weighted average morning overnight PUAB interest rate in US Dollars foreign currency at JIBOR bank members selected by Bank Indonesia 1 (one) month earlier.”

The provisions in this Circular Letter shall come into force on January 28, 2005.

For the public to be informed, it is ordered that this Circular Letter be promulgated in the State Gazette of the Republic of Indonesia.

Kindly be informed.

BANK INDONESIA,

BUDI MULYA  
DIRECTOR OF MONETARY MANAGEMENT